

**BRAE
CORPORATION**

RECORDATION NO. 11965-21
MAR 28 1988 - 1 25 PM
INTERSTATE COMMERCE COMMISSION

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VIA HAND DELIVERY

No. 8-089A050
Date MAR 29 1988
Fee \$ 50.00

March 25, 1988

RECORDATION NO. 11965-2
MAR 28 1988 - 1 25 PM
INTERSTATE COMMERCE COMMISSION

Ms. Agatha Mergenovich, Secretary
Interstate Commerce Commission
12th & Constitution, Room 2215
Washington, D.C. 20423

RECORDATION NO. 11965-V
MAR 28 1988 - 1 25 PM
INTERSTATE COMMERCE COMMISSION

Dear Ms. Mergenovich:

RECORDATION NO. 11965-2W
MAR 28 1988 - 1 25 PM
INTERSTATE COMMERCE COMMISSION

Enclosed for filing and recordation pursuant to the provisions of 49 U.S.C. Section 11303 is one original and five copies of the following document:

Second Amendment dated as of July 30, 1984 to the Amended and Restated Credit, Pledge and Security Agreement dated as of July 24, 1981, as amended, among BRAE Transportation, Inc. (formerly BRAE Corporation) and Manufacturers Hanover Trust Company, The First National Bank of Boston, Berliner Handels-Und Frankfurter Bank and the Bank of California, N.A. and Manufacturers Hanover Trust Company, as Agent for the Banks.

The names and addresses of the parties to the transaction evidenced by the document described above are as follows:

DEBTOR: BRAE Transportation, Inc.
160 Spear Street, Suite 1600
San Francisco, CA 94105

LENDERS: Manufacturers Hanover Trust Company, Individually
and as Agent for the Banks
270 Park Avenue, 48th Floor
New York, NY 10017

The First National Bank of Boston
100 Federal Street
Boston, MA 02110

Berliner Handels-Und Frankfurter Bank
800 West 6th Street, Suite 900
Los Angeles, CA 90017

The Bank of California, N.A.
400 California Street, 17th Floor
San Francisco, CA 94104

Ms. Agatha Mergenovich
March 25, 1988
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Also enclosed for filing and recordation pursuant to the provisions of 49 U.S.C. Section 11303 are two originals and five copies of the following documents:

AGREEMENT dated as of September 28, 1987 between BRAE Transportation, Inc. and Iowa Traction Railroad Company, as lessee.

EQUIPMENT SCHEDULE NO. 2 dated as of March 7, 1988 between BRAE Transportation, Inc. and Iowa Traction Railroad Company, as lessee.

For purposes of this filing, these documents relate only to those 25 railcars marked as follows:

IATR 2000 through IATR 2024 (AAR Mechanical Designation LO)

The names and addresses of the parties to the transactions evidenced by the documents described above are as follows:

LESSOR: BRAE Transportation, Inc.
160 Spear Street, Suite 1600.
San Francisco, CA 94105

LESSEE: Iowa Traction Railroad Company
P.O. Box 309
Mason City, IA 50401

Also enclosed for filing and recordation pursuant to the provisions of 49 U.S.C. Section 11303 are two originals and five copies of the following documents:

EQUIPMENT SCHEDULE NO. 3 dated as of March 21, 1988 between BRAE Transportation, Inc. and Kyle Railroad Company, as lessee.

For purposes of this filing, these documents relate only to those 122 railcars marked as follows:

KYLE 102300 through KYLE 102377 (AAR Mechanical Designation LO)

The names and addresses of the parties to the transactions evidenced by the documents described above are as follows:

LESSOR: BRAE Transportation, Inc.
160 Spear Street, Suite 1600
San Francisco, CA 94105

LESSEE: Kyle Railroad Company
Third and Railroad Avenue
Phillipsburgh, KS 67661

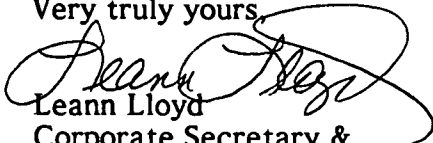
Ms. Agatha Mergenovich
March 25, 1988
Page Three

It is requested that all of the documents described above be filed and recorded under the names of the parties as set forth above. In view of the fact that they all relate to the Amended and Restated Credit, Pledge and Security Agreement dated as of July 24, 1981 among BRAE Transportation, Inc. (formerly BRAE Corporation) and Manufacturers Hanover Trust Company, The First National Bank of Boston, Berliner Handels-Und Frankfurter Bank and the Bank of California, N.A. and Manufacturers Hanover Trust Company, as Agent for the Banks, previously recorded and assigned recordation number 11965, we request that they be assigned the next available letter designations under that primary number.

I also enclose a check in the amount of \$50.00 for the required recordation fee.

Please return: (1) your letter acknowledging the filing, (2) a receipt for the \$50.00 filing fee, (3) the enclosed copy of this letter and (4) the originals and four copies of each document (retaining one copy for your files) all stamped with your official recordation information.

Very truly yours,


Leann Lloyd
Corporate Secretary &
Executive Legal Assistant

Enclosures

COPY

EQUIPMENT SCHEDULE NO. 2

RECORDATION NO. 119652 FILE 1428

MAR 28 1988 - 1 55 PM

INTERSTATE COMMERCE COMMISSION

BRAE TRANSPORTATION, INC. ("BRAE") hereby makes available the following railcars to IOWA TRACTION RAILROAD COMPANY ("IATR") pursuant to that certain Agreement dated as of September 28, 1987.

<u>Number of Cars</u>	<u>Description</u>	<u>A.A.R. Designation</u>	<u>Car Numbers</u>
40	10' Single Sliding Door, 70-ton, Plate B, 50'6" Boxcars	XP	IATR 1100-1139
25	4700 cubic feet 100-ton, Plate C, 53'6" covered hoppers	LO	IATR 2000-2024
Up to 85	Railcars		(Specific Numbers to Follow)

BRAE and IATR hereby agree that this Equipment Schedule No. 2 shall supersede Equipment Schedule No. 1 and such Equipment Schedule No. 1 shall become null and void as of the date hereof.

BRAE and IATR hereby incorporate by reference all of the terms, conditions and provisions of the Agreement in this Schedule.

IN WITNESS WHEREOF, the parties have executed this Schedule as of the 7TH day of MARCH, 1988.

BRAE TRANSPORTATION, INC.

By

Printed Name

DONALD B. LITTLEFIELD

Title

PRESIDENT - RAIL DIVISION

Date

March 7, 1988

IOWA TRACTION RAILROAD COMPANY

By

Printed Name

DAVID K. JOHNSON

Title

PRESIDENT

Date

MARCH 7, 1988

STATE OF IOWA

COUNTY OF CERRO GORDO

)
) ss.
)

On this 7TH day of MARCH, 1988, before me personally appeared DAVID K. JOHNSON, to me personally known, who, being by me duly sworn, did depose and say that he is the PRESIDENT of Iowa Traction Railroad Company, the corporation which executed the above instrument, that he signed his name to the above instrument by authority of the Board of Directors of said corporation; and that he acknowledged that the execution of the above instrument was the free act and deed of such corporation.

[seal]

Stanley Weaguer
Notary Public

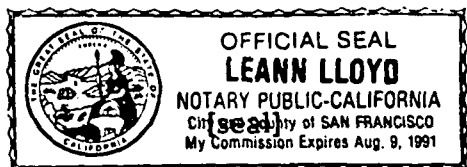
My commission expires: 2-19-90

STATE OF CALIFORNIA

COUNTY OF SAN FRANCISCO

)
) ss.
)

On this 7th day of March, 1988, before me personally appeared DONALD G. LITTLEFIELD, to me personally known, who, being by me duly sworn, did depose and say that he is the PRESIDENT - RAIL DIVISION of BRAE Transportation, Inc., the corporation which executed the above instrument, that he signed his name to the above instrument by authority of the Board of Directors of said corporation; and that he acknowledged that the execution of the above instrument was the free act and deed of such corporation.



Leann Lloyd
Notary Public

My commission expires: 8/9/91